

**TOWN OF PAMPLICO MUNICIPAL COURT
PAMPLICO, SOUTH CAROLINA**

**STATE AUDITOR'S REPORT
JUNE 30, 2013**

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**SAO
Transmittal
Letter**

State of South Carolina



Office of the State Auditor

1401 MAIN STREET, SUITE 1200
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RICHARD H. GILBERT, JR., CPA
DEPUTY STATE AUDITOR

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May 16, 2014

The Honorable Nikki R. Haley, Governor
State of South Carolina
Columbia, South Carolina

The Honorable J. Laverne Ard, Municipal Judge
Ms. Ann Miles, Town Clerk/Finance Director
Town of Pamplico
Pamplico, South Carolina

This report resulting from the application of certain agreed-upon procedures to certain accounting records of the Town of Pamplico Municipal Court System as of and for the year ended June 30, 2013, was issued by Cline Brandt Kochenower & Co., P.A., Certified Public Accountants, under contract with the South Carolina Office of the State Auditor.

If you have any questions regarding this report, please let us know.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Richard H. Gilbert Jr.", written in a cursive style.

Richard H. Gilbert, Jr., CPA
Deputy State Auditor

RHGjr/trb

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

April 30, 2014

The Honorable Nikki R. Haley, Governor
State of South Carolina
Columbia, South Carolina

The Honorable J. Laverne Ard, Municipal Judge
Town of Pamplico Municipal Court
Pamplico, South Carolina

Anne Miles, Town Clerk/Finance Director
Town of Pamplico
Pamplico, South Carolina

We have performed the procedures described below, which were agreed to by the Town of Pamplico and the Town of Pamplico Municipal Court, solely to assist you in evaluating the performance of the Town of Pamplico Municipal Court for the period July 1, 2012 to June 30, 2013, in the areas addressed. The Town of Pamplico and the Town of Pamplico Municipal Court are responsible for its financial records, internal controls and compliance with State laws and regulations. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified parties in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and the associated findings are as follows:

1. Town Clerk

- We gained an understanding of the policies and procedures established by the Town Clerk /Finance Director to ensure proper accounting for all fines, fees, assessments, surcharges, forfeitures, escheatments, or other monetary penalties.
- We obtained Pamplico Municipal Court dockets from the Town Clerk . We randomly selected twenty-five cases from the court dockets and recalculated the fine, fee, assessment and surcharge calculation to ensure that the fine, fee, assessment or surcharge was properly allocated in accordance with applicable State law. We also determined whether the fine, fee, assessment and/or surcharge adhered to State law and to the South Carolina Court Administration fee memoranda.

The Honorable Nikki R. Haley, Governor
and
The Honorable J. Laverne Ard, Municipal Judge
Ms. Anne Miles, Town Clerk/ Finance Director
Town of Pamplico
April 30, 2014

- We tested recorded court receipt transactions to determine that the receipts were remitted in a timely manner to the Town's finance department in accordance with State law.
- We obtained copies of all State Treasurer's Revenue Remittance Forms submitted by the Town for the period July 1, 2012 through June 30, 2013. We agreed the line item amounts reported on the State Treasurer's Revenue Remittance Forms to the monthly court remittance reports and to the State Treasurer's receipts. We also agreed the total revenue due to the State Treasurer to the general ledger.
- We determined if the State Treasurer's Revenue Remittance Forms were submitted in a timely manner to the State Treasurer in accordance with State law.
- We verified that the amounts reported by the Town on its supplemental schedule of fines and assessments for the fiscal year ended December 31, 2012 and obtained the reconciliation to the State Treasurer's Revenue Remittance Forms and to the Town's general ledger. We also determined if the supplemental schedule of fines and assessments contained all required elements in accordance with State law.

Our findings as a result of these procedures are presented in Adherence to Fine Guidelines, Installment Fee and Timely Submission of State Treasurer's Revenue Remittance Form in the Accountant's Comments section of this report.

2. Victim Assistance

- We gained an understanding of the policies and procedures established by the Town to ensure proper accounting for victim assistance funds.
- We made inquiries and performed substantive procedures to determine if any funds retained by the Town for victim assistance were accounted for in a separate account.
- We tested judgmentally selected victim assistance expenditures to ensure that the Town expended victim assistance funds in accordance with State law and South Carolina Court Administration Fee Memoranda, Attachment L.
- We determined if the Town reported victim assistance financial activity on the supplemental schedule of fines and assessments in accordance with State law.
- We inspected the Town's general ledger to determine if the Victim Assistance Fund balance was retained as of July 1 from the previous fiscal year in accordance with State law.

There were no findings as a result of these procedures.

The Honorable Nikki R. Haley, Governor
and
The Honorable J. Laverne Ard, Municipal Judge
Ms. Anne Miles, Town Clerk/ Finance Director
Town of Pamplico
April 30, 2014

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on compliance with the collection and distribution of court generated revenue at any level of court for the twelve months ended June 30, 2013, and, furthermore, we were not engaged to express an opinion on the effectiveness of internal controls over compliance with the laws, rules and regulations described in paragraph one and the procedures of this report. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Governor, Chairman of the House Ways and Means Committee, Chairman of the Senate Finance Committee, Chairman of the House Judiciary Committee, Chairman of the Senate Judiciary Committee, members of the Town of Pamplico Town Council, Town of Pamplico Municipal Judge, Town of Pamplico Town Clerk/Finance Director, , State Treasurer, State Office of Victim Assistance, and the Chief Justice and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in blue ink, appearing to read "Cline Brandt Kochenower & Co. P.A.", is written over a horizontal line.

Cline Brandt Kochenower & Co. P.A.

**ACCOUNTANT'S
COMMENTS**

VIOLATIONS OF STATE LAWS, RULES OR REGULATIONS

Management of the entity is responsible for establishing and maintaining internal controls to ensure compliance with State Laws, Rules or Regulations governing court collections and remittances. The procedures agreed to by the entity require that we plan and perform the engagement to determine whether any violations of State Laws, Rules or Regulations occurred.

The conditions described in this section have been identified as violations of State Laws, Rules or Regulations.

ADHERENCE TO FINE GUIDELINES

During our test of Municipal Court collections and remittances, we noted the following instances in which the judge did not fine the defendants in accordance with State law:

1) Three individuals were fined \$36.14 for speeding 10 mph or less over the limit. Section 56-5-1520 of the 1976 South Carolina Code of Laws, as amended, states, "(G) A person violating the speed limits established by this section is guilty of a misdemeanor and, upon conviction for a first offense, must be fined or imprisoned as follows: (1) in excess of the above posted limit but not in excess of ten miles an hour by a fine of not less than fifteen dollars nor more than twenty-five dollars;

2) Three individuals were fined \$57.83 for speeding more than 10 but less than 15 mph over the posted limit. Section 56-5-1520 of the 1976 South Carolina Code of Laws, as amended, states, "(G) A person violating the speed limits established by this section is guilty of a misdemeanor and, upon conviction for a first offense, must be fined or imprisoned as follows: (2) in excess of ten miles an hour but less than fifteen miles an hour above the posted limit by a fine of not less than twenty-five dollars nor more than fifty dollars;

3) Two individuals were fined \$81.93 for speeding in excess of 15 but less than 25 mph over the posted limit. Section 56-5-1520 of the 1976 South Carolina Code of Laws, as amended, states, "(G) A person violating the speed limits established by this section is guilty of a misdemeanor and, upon conviction for a first offense, must be fined or imprisoned as follows: (3) in excess of fifteen miles an hour but less than twenty-five miles an hour above the posted limit by a fine of not less than fifty dollars nor more than seventy-five dollars."

4) One individual was fined \$1001 for Driving Under the Influence, blood alcohol over .16, first offense. Section 56-5-2930(1) of the 1976 South Carolina Code of Laws, as amended, states, "(1) for a first offense, ... If the person's alcohol concentration is sixteen one-hundredths of one percent or more, then the person must be punished by a fine of one thousand dollars...."

5) One individual was fined \$207.23 for Reckless Driving. Section 56-5-2920 of the 1976 South Carolina Code of Laws, as amended, states, "...be punished by a fine of not less than twenty-five dollars nor more than two hundred dollars...."

ADHERENCE TO FINE GUIDELINES, Continued

The Town Clerk of Court stated the errors noted in 1) through 5) above were caused when the judge adjusted the fines without consulting the minimum/maximum fine requirements.

We recommend the Municipal Court implement procedures to ensure that fines levied by the court adhere to applicable State law.

INSTALLMENT FEE

During our test of Municipal Court collections and remittances, we noted the Court did not assess and collect the three percent installment fee from a defendant that had paid the total amount due in installments. The Court's policy is not to charge and collect the three percent installment fee on any cases where the defendant pays in installments.

The Clerk of Court stated she was not aware the Court's policy was not in compliance with State law.

Section 14-17-725 of the 1976 South Carolina Code of Laws, as amended, states, "... where criminal fines, assessments, or restitution payments are paid through installments, a collection cost charge of three percent of the payment also must be collected by the clerk of court...".

We recommend the Court revise its policy to ensure the installment fee is charged and collected in accordance with State law.

TIMELY SUBMISSION OF STATE TREASURER'S REVENUE REMITTANCE FORM

During our testing of the Town's State Treasurer's Revenue Remittance Forms (STRRF), we noted four out of twelve STRRF were not submitted to the State Treasurer by the fifteenth day of the month as required by State law. We determined the forms were submitted from ten to fifty-three days late.

The Town Finance Director stated some of the late submissions were due to her having the responsibilities of both the Town clerk and the finance director and having to prioritize workloads of both offices.

Section 14-1-208(B) of the 1976 South Carolina Code of Laws, as amended, requires the Town to remit the balance of the assessment revenue to the State Treasurer on a monthly basis by the fifteenth day of each month and make reports on a form and in a manner prescribed by the State Treasurer.

We recommend the Town implement procedures to ensure the STRRF are submitted by the fifteenth day of each month in compliance with State law.

**MUNICIPALITY'S
RESPONSE**

MUNICIPALITY'S RESPONSE

The management of the Town of Pamplico has been provided a copy of the finding(s) identified in the Accountant's Comments Section of this report and has elected not to provide a written response to finding(s).